

**BEFORE THE
FEDERAL MARITIME COMMISSION**

DOCKET NO. 13-05

**OCEAN TRANSPORTATION INTERMEDIARY LICENSING AND FINANCIAL
RESPONSIBILITY REQUIREMENTS, AND GENERAL DUTIES**

COMMENTS OF C J INTERNATIONAL INC

I am Tom Poché, Treasurer and VP of Finance and Administration for C J International, Inc., located at 403 Maclean Ave, Louisville KY 40209. C J is a freight forwarder, license number 3716F, and was incorporated in Maryland in 1987. C J has six offices in the United States. C J is a member of the NCBFAA and we are familiar with the issues raised by the proposed changes to the OTI Licensing and Financial Responsibility Requirements.

C J is opposed to the FMC's proposal to require all forwarders and NVOCCs to renew licenses every three years by filing an application and paying a fee. We feel this is unnecessary because all OTIs are already required to keep the Commission informed of any changes in their corporate structure, officers and directors, and locations of their headquarters and branch offices.

Even if the information is provided online, a renewal process means that someone at the agency will be required to review the data and then renew the licenses, but the Commission has neither the staff nor budget to handle the added burden of doing this every three years for all OTIs.

A simpler proposal to make sure OTI information is up to date would be to require all OTIs to file a triennial reporting, without requiring a formal application for license renewal.

We also feel, in view of the information Commission staff often seeks during the process of reviewing a license application, there is reason for concern that the renewal process will take up a great deal of time looking for information that has little or no relevance to the company's performance.

Of greatest concern is that it is unclear whether any problems the company might have at the time of license renewal would also jeopardize the license of the company. Claims by shippers or carriers or the pendency of some investigation by BOE could jeopardize the license renewal. If so, that puts the company's license at inappropriate risk.

C J is opposed to the FMC's proposal that the Commission require carriers and sureties to file with the FMC a list of any claims made by them that relate in any way to the transportation activities of a forwarder or NVOCC.

Even if not published on the FMC's website, the release of this data could be very damaging to the company, especially since those claims may have little or no merit.

Even with a disclaimer that the Commission is not making any judgment about the veracity of the allegations, any release of this type of information could have an unfair, damaging effect on the company's reputation and would threaten its business and viability.

When our company has valid claims against it, either it or its insurance companies pay those claims, so that there has never been an occasion when a claimant has been forced to move against our FMC bond; accordingly, this required publication has little or no relevance to the commercial realities of how business is done.

C J is opposed to the FMC's proposed regulations relating to the advertising of our various third party vendors (such as truckers, consolidators, break bulk agents, etc.) and their advertising.

It is not clear which parties would be covered by the regulation; for example, we might engage any number of third parties to provide some of the services we contract to perform, such as drayage companies, warehouses, railroads, truckers, packing companies, breakbulk and loading agents and even steamship lines. Are they all covered by this advertising prohibition?

Many breakbulk agents, sales agents and other types of companies providing a portion of the services for which we contract with our customers represent a number of OTIs but do not themselves actually book cargo or provide all of the functions of NVOCCs or forwarders. It would therefore be very difficult, if not impossible, for them to obtain an OTI license or registration.

If the real problem the FMC is addressing relates to companies engaged in moving household goods in the so-called barrel trade, it is not clear why the Commission should be imposing these new regulations on regular, commercial OTIs.

C J supports the elimination of requirement for branch offices of NVOCCs and ocean forwarders to have \$10,000 bonds for each office.

The elimination of the separate branch office bonds would ease some of the burden on OTIs, as is otherwise necessary to continually amend bonds every time a branch office is added, subtracted or just moves. This can be a time-consuming process.

Our company has never had any claims made against its bond, so the slight reduction in total bond amount would have negligible effect on our customers or other potential claimants.

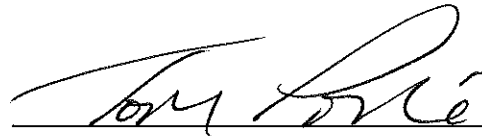
As a small company, eliminating these bonds would reduce our cost of operations and make us more competitive.

C J believes that there are other initiatives that the Commission should have considered in order to eliminate unnecessary regulatory burdens or otherwise facilitate the role of OTIs in the movement of traffic. For example:

1. Total elimination of OTI rate tariff publication, so as to avoid any procedural requirements.
2. The elimination of the need for NVOCCs to file NVOCC Service Agreements (“NSAs”) or publish their essential terms.
3. Require vessel operators to file their contingency plans with the Commission, which could be posted on the Commission’s website, so that the trade can be advised of those plans in the event there are severe weather or labor issues that could lead to significant service disruptions.
4. Work with the FMCSA to establish a common bond for OTIs and motor carrier property brokers, which would reduce the financial burden on intermediaries.

DATED: December 11, 2014

Tom Poché – for C J International Inc

A handwritten signature in black ink, appearing to read 'Tom Poché', written over a horizontal line.

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